THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b) ONGC-Videsh Ltd. (OVL), a 100% subsidiary of Oil and Natural Gas Corporation Ltd. (ONGC), was set up mainly to acquire exploration blocks and discovered fields abroad and is actively pursuing investment opportunities in various countries, including Sudan and Oman. While evaluating any project, OVL taken into account various risks on account of political, regional social, commercial, business, legal, technical and environmental factors.

Impact of EEZ on Crude Production

4335. SHRI AIMADUDDIN AHMED KHAN (DURRU): Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether all off-shore installations of the ONGC and other oil exploration companies engaged in off-shore explorations would be treated as part of Domestic Tariff Area (DTA), as a result of the recent Government decision to bring the entire Exclusive Economic Zone (EEZ) and continental shelf under the jurisdiction of the Customs Act, 1962; and

(b) if so, in what manner this will affect the cost structure of the crude production of ONGC and others engaged in off-shore exploration; and how the cost of production of crude by them would compare with international crude production?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) Yes, Sir. The Government has issued a Notification No. 157 on 7.2.02 under clause (a) of Sub-section (6) of Section 6 and clause (a) of sub-section (7) of Section 7 of the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976 (80 of 1976) extending the Customs Act, 1962 and Customs Tariff Act, 1975 to the continental shelf and the exclusive economic zone of India with effect from the date of publication of the notification in the Official Gazette *i.e.* 11.2.2002.

(b) The cost of production of crude oil and natural gas depends amongst other factors on the fiscal regime, comprising royalty, customs duty etc. In the offshore areas, while Oil and Natural Gas Corporation Ltd. (ONGC) is liable to pay the applicable customs duty on procurements for its areas allotted on nomination basis, no customs duty is payable on procurements by the

Contractors under the Production Sharing Contracts for exploration blocks and discovered fields. Customs duty is a dynamic factor and its impact on ONGC's costing cannot be assessed in advance. The operating cost of producing crude oil and natural gas by Indian companies, including ONGC, is comparable with international costs in this regard.

Checking of adulteration in petrol

4336. SHRIMATIVANGA GEETHA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government propose to standardize the specification of petrol in petrol pumps to check adulteration;

(b) if so, the measures taken by the Bureau of Indian Standards (BIS) in the matter; and

(c) the views of the automobile industry in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) to (c) The Indian Standards for petrol as prescribed by Bureau of Indian Standards (BIS) is given in IS-2796:2000 that has been adopted in MS/HSD Control Order to ensure the quality of petrol supplied to retail outlets. For petrol, the BIS specifications are similar to the National Standards of USA and European Union including the test procedure. These testing procedures are updated and aligned with international procedures from time to time.

Completion of Paradeep Refinery

4337. SHRI K. KALAVENKATA RAO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Indian Oil Corporation proposes to issue bonds in favour of Orissa Government for completion of Paradeep Refinery;

(b) if so, the details thereof; and

(c) by when the project is likely to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) Yes, Sir.